ALASKA STATE LEGISLATURE
Senator Click Bishop

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To: Senator Natasha von Imhof
Chair, Legislative Budget and Audit Committee

From: Senator Click Bishop

Date: October 5, 2021

Re: TVEP Audit Request

The Technical Vocational Education Program (TVEP), established by legislation in 2000, distributes training funds to technical and vocational education entities across Alaska's six economic regions. TVEP funds come from a percentage of employee unemployment insurance contributions, allocated to specific institutions in accordance with AS 23.15.835. This statute is subject to reauthorization, most recently in 2021.

TVEP reauthorization has been a contentious process, with many unanswered questions regarding the efficacy of the program that awards approximately $12 million annually through an uncompetitive award process. The program was reauthorized through June 2024 with the understanding that an audit would be conducted prior to that date, and be made available to the legislature, that would objectively analyze the program. With that goal in mind, I respectively request an audit of the TVEP program to cover the following objectives:

- Identify and report on the use of TVEP funding for the period FY 19 through FY 22 to include, by institution, the types of training provided, age of students, and number of students; as well as any non-training specific spending such as capital improvements.
- Evaluate the degree TVEP is structured to effectively meet the technical and vocational training needs by region and/or by industry.
- Evaluate the program's performance measures and determine whether TVEP training institutions are consistently reporting reliable performance information and whether alternative measures would be more useful in measuring the degree training institutions are successfully meeting the intent of the program.
- Evaluate the sufficiency of the accountability and oversight procedures in place over the TVEP training institutions identified in AS 23.15.835 and determine how those procedures differ from other training grantees.
- Determine whether TVEP funds are awarded in an equitable manner. If warranted, recommended an alternative funding mechanism for meeting the intent of the TVEP program.
- Follow up any related concerns the Legislative Auditor identifies during the audit.

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